NOVA SCOTIA

Service Nova Scotia
and Municipal Relations

# Annual Report

## Activities of Nova Scotia Co-operatives in 2004

Co-operatives Branch

# Co-operatives Annual Report

This report is published by the Co-operatives Branch of Service Nova Scotia and Municipal Relations. It covers the activities of registered co-operatives taken from reports submitted to this office for their financial year ending in 2004. This document is partial fulfilment of the requirements of the *Co-operative Associations Act*, Chapter 98, Acts of 1989, Section 5(2).

**Minister**
Honourable Barry Barnet

**Deputy Minister**
Greg Keefe

**Inspector of Co-operatives**
Ronald J. Skibbens

**Administrative Assistant**
Linda Yorke

**Contact**: Co-operatives Branch
Service Nova Scotia and Municipal Relations
35 Commercial Street, Suite 101
Truro, Nova Scotia
B2N 3H9

Phone: (902) 893-6190
Fax: (902) 893-6108
Email: nscoop@gov.ns.ca

Home page: www.gov.ns.ca/snsmr/coop/
Public record: www.gov.ns.ca/snsmr/rjsc/search.asp

**Acknowledgement**: Co-operatives Branch would like to thank Laura Beazley and Natalie Hopper of the Nova Scotia Geomatics Centre for their assistance in producing the maps that accompany this publication.

106-01375/

# Table of Contents

Letter to the Minister Responsible for Co-operatives ..... 1

Letter to Nova Scotia Co-operatives ..... 3

The International Co-operative Alliance Statement
on the Co-operative Identity ..... 4

Financial Data ..... 5
- Financial Summary ..... 7
- Operating Results Summary ..... 10
- 2004 Operating Results Summary by Type and Sub-Type ..... 12
- 64-Year Operating Results Summary ..... 14
- 64-Year Balance Sheet Summary ..... 15

Demographic Data ..... 17
- Demographic Summary ..... 18
- Registered Co-operatives: Distribution by Type and County ..... 20
- Employees and Membership by County ..... 22
- Employees and Membership by Type ..... 23
- Thirty-eight Co-operatives Incorporated in 2004 ..... 24
- Anniversaries of Incorporation ..... 25
- Co-operatives Struck in 2004 ..... 27

Co-operative Functioning ..... 29
- Co-operative Functioning Summary ..... 30

# Letter to the Minister Responsible for Co-operatives

The Honourable Barry Barnet
Minister of Service Nova Scotia and Municipal Relations

Dear Minister Barnet:

I am pleased to present the Co-operatives Annual Report in compliance with the requirements of the *Co-operative Associations Act*. This is the 69th report since the 1935 Act, which required the Inspector to report annually to the Minister responsible for the *Act*.

Due to the annual renewal process implemented 2 years ago, 2004 saw another increase in reporting compliance as anticipated in last year's report. This report summarizes the information from 285 (94%) of the 303 registered co-operatives in the province, and is the data submitted for their fiscal year ending in calendar year 2004.

Two years ago, Nova Scotia became the first jurisdiction in Canada to ask co-operatives to report on how they function as co-operatives, in addition to how they function as businesses. As a result, this is the second annual report providing data on co-operative functioning in addition to the usual financial and demographic findings.

Financial data: Increased profits and equity over previous year.

- Co-operatives reported a substantial increase in profits in 2004. Net income more than doubled over 2003 to $5.5 million.
- Co-operatives reported a 3% increase in sales and total income, to $696 million and $723 million, respectively.
- Members' equity increased 8% over 2003, to $93 million.

Demographic data: More new co-operatives, more employees and more members.

- The number of new co-operatives registered was the highest ever at 38, which is 58% higher than in 2003 and is discussed on page 18.
- As anticipated in last year's report, the total number of co-operatives dropped to 303. This one-time correction is explained on page 27.
- Reported membership increased to almost 38,000 in 2004 from 36,000 in 2003.
- Reported employment also increased to 3,300 in 2004 from 3,200 in 2003.

Co-operative functioning: Commitment to co-operative principles.

- Co-operatives held an average of 6 board meetings and 4 members' meetings in 2004.
- 82% held an Annual General Meeting (AGM), and of those that held an AGM, 99% established quorum and 91% presented financial statements which were approved by the membership.
- Commitment to ongoing education is evidenced by the fact that nearly 1,600 members attended an educational event, for an average of almost 6 members per co-operative.

This report show that the co-operative sector in Nova Scotia continues to show strong economic growth, continues to attract more members and continues to demonstrate commitment to the co-operative principles. I trust that this overview provides you with a comprehensive snapshot of the co-operative sector in 2004.

Sincerely,

Ronald Skibbens
**Inspector of Co-operatives**

# Letter to Nova Scotia Co-operatives

Dear Co-operators,

This is the 69th year that co-operatives have registered under the *Co-operative Associations Act*. This annual report offers a snapshot of Nova Scotia co-operatives as they existed in 2004.

I am pleased to report that 38 new co-operatives registered this year, which is the highest number of new co-operatives ever registered in Nova Scotia in one year. Other good news includes $5.6 million in reported net income, which is more than double the amount reported in 2003. The percentage of co-operatives complying with the *Co-operative Associations Act* also continued to increase, from 65% two years ago to 94% in 2004.

This report presents three types of information: financial, demographic and co-operative functioning. The financial data shows that co-operatives had increased profits and increased member equity in 2004. The demographic data showed steady growth in the number of new co-operatives, members and employees. The co-operative functioning data shows that your commitment to co-operative functioning is strong. For example, the average co-operative held 6 board meetings and 4 members' meetings in 2004. In addition, nearly 1,600 members attended an education event that year. Those numbers show a strong commitment to the Co-operative Principles (see page 4) which identify how co-operatives are different from other business types.

In the past year, I continued my attempts to make your interactions with government simpler and easier. For example, you can now use one form to report most of the most common changes at your co-operative, including address changes and new directors (use the Annual Report to the Inspector at www.gov.ns.ca/snsmr/coop/forms/). To see a copy of your co-operative's current information and status, visit our website at www.gov.ns.ca/snsmr/rjsc/search.asp.

Finally, I urge your co-operative to help make the co-operative sector in Nova Scotia even stronger by following the principles listed in the "International Co-operative Alliance Statement on the Co-operative Identity" on the following page. In particular, I urge your co-operative to follow principle #5 by budgeting up to 1% of your total revenues to education. If your co-operative isn't already providing it, you should consider providing training for your board and for new members. Contact the Co-operative Housing Federation of Canada (902-423-7119) and the Nova Scotia Co-operative Council (902-893-8966) for training options and schedules.

If you have any questions about this report or the services of the Co-operatives Branch, please contact me at your convenience.

Co-operatively yours,

Ronald Skibbens
**Inspector of Co-operatives**

# The International Co-operative Alliance Statement on the Co-operative Identity

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Values

Co-operatives are based on the values of self-help, democracy, equality, equity, and solidarity. Co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

Principles

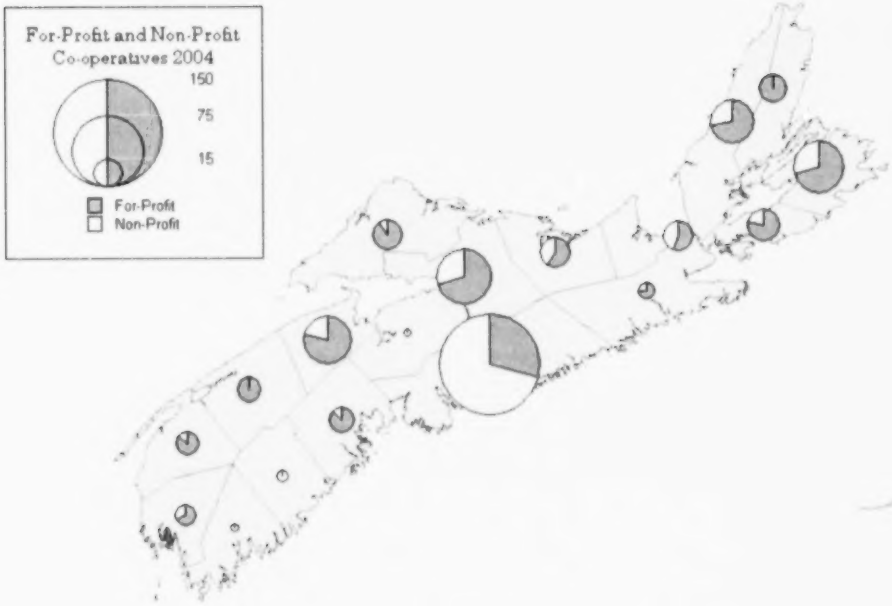
The co-operative principles are guidelines by which co-operatives put their values into practice. The co-operative principles are:

1. Voluntary and Open Membership
2. Democratic Member Control
3. Member Economic Participation
4. Autonomy and Independence
5. Education, Training and Information
6. Co-operation among Co-operatives
7. Concern for the Community

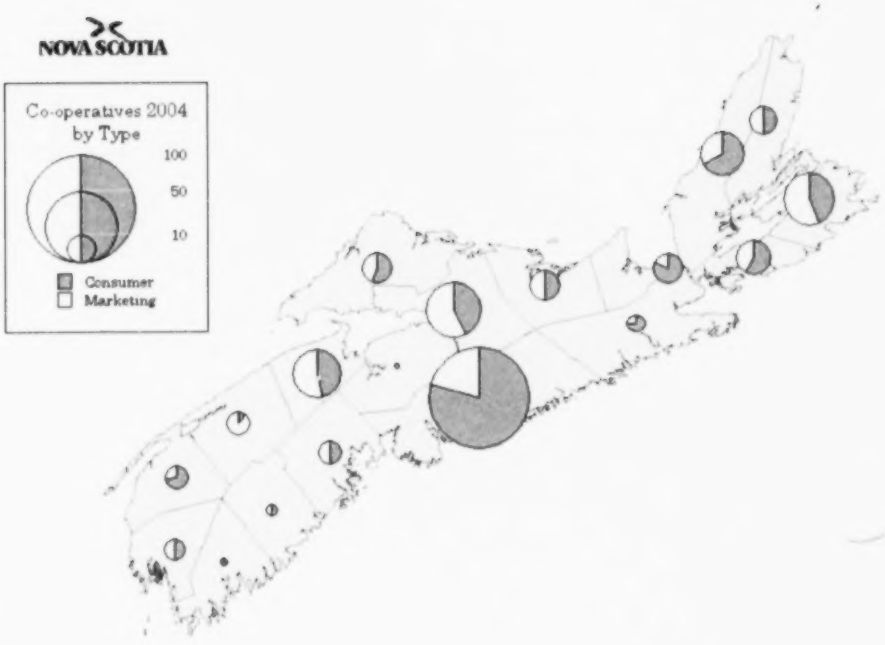
***For full text see: www.ica.coop/ica/info/enprinciples.html***

# Financial Data

NOVA SCOTIA




NOVA SCOTIA



**Financial Summary**

Co-operatives in Nova Scotia identify themselves as either for-profit or non-profit. This fundamental choice reflects the founding members' guiding principles and determines how a number of their by-laws are worded. I further classify them as either marketing or consumer co-operatives. Marketing co-operatives are established to benefit members who market goods or services, such as Just Us Coffee Roasters Co-operative Limited and Mud Creek Medical Co-operative Limited. Consumer co-operatives are established to benefit members who purchase goods or services such as Grainery Food Co-operative Limited and Valley Funeral Home Co-operative Limited. As shown in the table below, for-profit co-operatives are mostly marketing co-operatives, whereas non-profits are overwhelmingly consumer groups. The vast majority of non-profit consumer co-operatives are housing co-operatives which were established to provide government subsidized housing.

| | *For profit* | *Non-profit* | *Total* |
|---|---|---|---|
| ***Consumer*** | 74 | 108 | **182** |
| ***Marketing*** | 107 | 14 | **121** |
| **Total** | **181** | **122** | **303** |

The tables on the next 8 pages show financial data from the 285 co-operatives that provided annual filings for their 2004 fiscal year. Results on page 10 show the following:

- Marketing co-operatives are 40% of all co-operatives in Nova Scotia.
- Marketing co-operatives reported 84% of total income and expenses.
- Marketing co-operatives accounted for 87% of gross margin and 83% of net income.
- Consumer co-operatives represent 60% of all co-operatives.
- Consumer co-operatives reported 39% of assets, 44% of liabilities and 26% of equity.

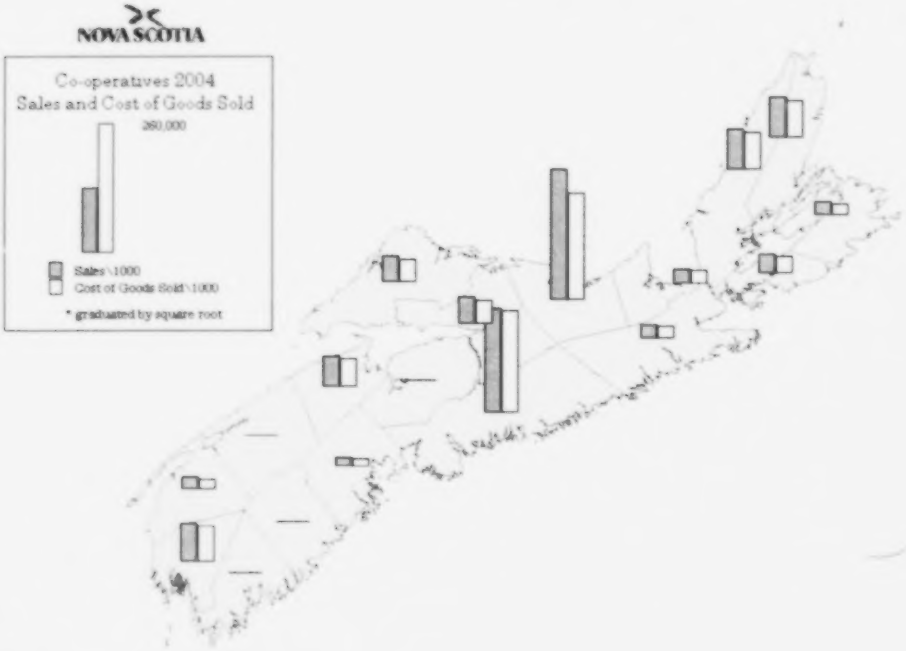
- For-profit co-operatives are 60% of all co-operatives.
- For-profits reported 98% of the income and expenses.
- For-profits reported $5.7 million in net income on a total income of $706 million.
- Non-profits are 40% of all co-operatives.
- Non-profits showed a net loss of $186,000 on a net income of over $16 million.
- Non-profits had nearly $92 million in assets which was 31% of the total in the sector.
- Non-profit co-operatives had $4 million in equity, representing about 5% of total equity.

The tables on page 12 show details by co-operative sub-type. Those tables show that agricultural co-operatives continue to dominate the co-operative marketing sector for income and net worth.

- Agricultural co-operatives accounted for 88% of the total $610 million marketing income and a full 77% of all co-operative income.
- Agricultural co-operatives accounted for 90% of the $98 million in marketing co-operatives' gross income and 79% of the $4.6 million net income. This last figure is a marked change from last year, when agricultural co-operatives showed a small net loss.
- Agriculture also showed dominance in the areas of total assets and equity, at 91% and 83% respectively.
- Fishery co-operatives consistently reported the second highest numbers; with 9% of income, 7% of gross profit, 18% of net income, 5% of assets and 10% of equity.
- Worker co-operatives reported the third highest numbers; with 2% of income, 2% of gross profit, 3% of net income, 3% of assets and 4% of equity.

The tables on page12 also show that retail co-operatives held similar dominance in the consumer sector.

- Retail co-operatives accounted for 85% of the income, 84% of expenses, 99% of gross margin and 117% of net income. This last number is the result of both housing and service co-operatives showing net losses for the year. In addition, the retail sector held 67% of the equity within consumer co-operatives.
- Housing co-operatives reported the second highest numbers; with 13% of income (although they also showed a small net loss for the year), 69% of assets and 8% of equity. The high value for assets is because the value of housing assets is currently mis-reported. Audits show the value of housing co-operatives as the amount left outstanding on their mortgage. Over time, that number generally moves toward zero. Next year I hope to present a comparative value of housing co-operatives based on assessed or insured value.
- Service co-operatives reported the third highest numbers; with 3% of income, 1% of gross profit, 5% of assets and 14% of equity. Although they did show a positive gross margin, their net income showed a loss for the year.

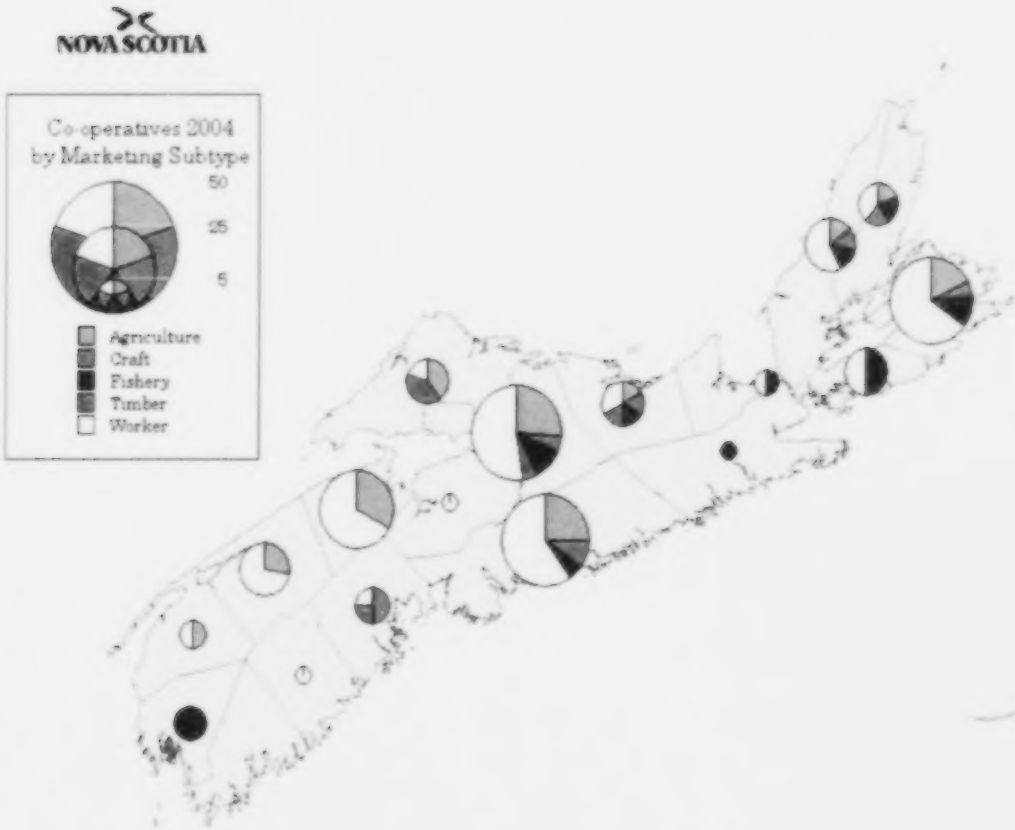

NOVA SCOTIA
Co-operatives 2004
Sales and Cost of Goods Sold
260,000
Sales \1000
Cost of Goods Sold \1000
* graduated by square root

NOVA SCOTIA
Co-operatives 2004
Assets and Equity
120,000
Assets \1000
Equity \1000
* graduated by square root

**Operating Results Summary**

| | Consumer (n= 182) | | Marketing (n= 121) | | All Co-operatives (n= 303) | |
|---|---|---|---|---|---|---|
| | 2004 | *2003* | 2004 | *2003* | 2004 | *2003* |
| Sales | 94,617,506 | *93,393,031* | 601,469,914 | *582,134,182* | 696,087,420 | *675,527,213* |
| Other Income | 18,190,618 | *18,342,509* | 8,411,064 | *7,003,659* | 26,601,682 | *25,346,168* |
| *Total Income* | *112,808,124* | *111,735,540* | *609,880,978* | *589,137,841* | *722,689,102* | *700,873,381* |
| Cost of Goods Sold | 79,388,250 | *78,359,186* | 503,687,123 | *491,772,056* | 583,075,373 | *570,131,242* |
| Other Expenses | 32,486,729 | *32,477,503* | 101,578,435 | *95,941,118* | 134,065,164 | *128,418,621* |
| *Total Expenses* | *111,874,979* | *110,836,689* | *605,265,558* | *587,713,174* | *717,140,537* | *698,549,863* |
| Gross Margin | 15,229,256 | *15,033,845* | 97,782,791 | *90,362,126* | 113,012,047 | *105,395,971* |
| *Net Income* | *933,145* | *898,851* | *4,615,420* | *1,424,667* | *5,548,565* | *2,323,518* |
| Assets | 130,213,845 | *130,898,358* | 204,362,469 | *197,566,900* | 334,576,314 | *328,465,258* |
| Liability | 106,031,304 | *107,712,295* | 135,388,445 | *134,712,512* | 241,419,749 | *242,424,807* |
| Equity | 24,182,541 | *23,186,062* | 68,974,024 | *62,854,390* | 93,156,565 | *86,040,452* |

| | For Profit (n=181) | | Non-Profit (n=122) | | All Co-operatives (n=303) | |
|---|---|---|---|---|---|---|
| | 2004 | *2003* | 2004 | *2003* | 2004 | *2003* |
| Sales | 695,532,427 | *675,330,546* | 554,993 | *196,667* | 696,087,420 | *675,527,213* |
| Other Income | 10,786,383 | *9,113,063* | 15,815,299 | *16,233,105* | 26,601,682 | *25,346,168* |
| *Total Income* | *706,318,810* | *684,443,609* | *16,370,292* | *16,429,772* | *722,689,102* | *700,873,381* |
| Cost of Goods Sold | 582,694,586 | *570,065,986* | 380,787 | *65,256* | 583,075,373 | *570,131,242* |
| Other Expenses | 117,889,506 | *111,806,087* | 16,175,658 | *16,612,534* | 134,065,164 | *128,418,621* |
| *Total Expenses* | *700,584,092* | *681,872,073* | *16,556,445* | *16,677,790* | *717,140,537* | *698,549,863* |
| Gross Margin | 112,837,841 | *105,264,560* | 174,206 | *131,411* | 113,012,047 | *105,395,971* |
| *Net Income* | *5,734,718* | *2,571,536* | *(186,153)* | *(248,018)* | *5,548,565* | *2,323,518* |
| Assets | 242,917,846 | *232,933,440* | 91,658,468 | *95,531,818* | 334,576,314 | *328,465,258* |
| Liability | 153,758,991 | *151,427,244* | 87,660,758 | *90,997,563* | 241,419,749 | *242,424,807* |
| Equity | 89,158,855 | *81,506,197* | 3,997,710 | *4,534,255* | 93,156,565 | *86,040,452* |


NOVA SCOTIA
Co-operatives 2004
by Marketing Subtype
50
25
5
Agriculture
Craft
Fishery
Timber
Worker

## 2004 Operating Results Summary by Type and Sub-Type

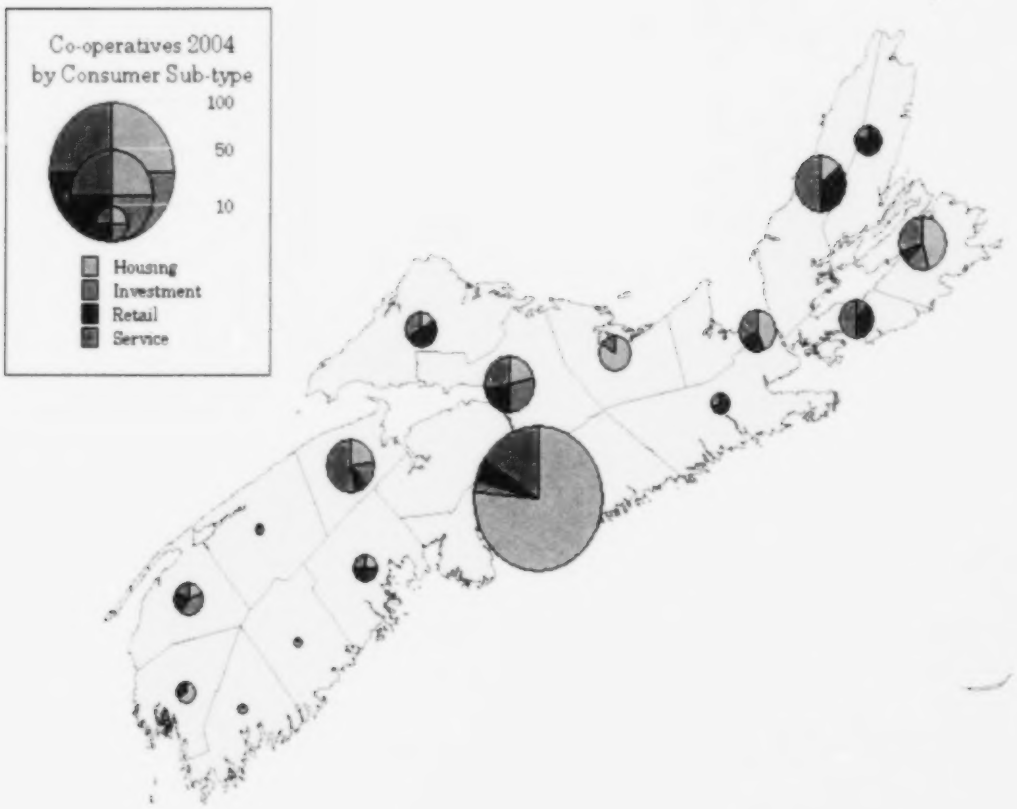
### Consumer Co-operatives

| | Housing | Investment | Retail | Services | **2004 Total** | *2003 Total* |
|---|---|---|---|---|---|---|
| Sales | 0 | 0 | 94,157,014 | 460,492 | **94,617,506** | *93,393,031* |
| Other Income | 14,116,361 | 431,894 | 1,270,780 | 2,371,583 | **18,190,618** | *18,342,509* |
| *Total Income* | *14,116,361* | *431,894* | *95,427,794* | *2,832,075* | ***112,808,124*** | *111,735,540* |
| Cost of Goods Sold | 0 | 0 | 79,062,138 | 326,112 | **79,388,250** | *78,359,186* |
| Other Expenses | 14,350,152 | 335,658 | 15,269,975 | 2,530,944 | **32,486,729** | *32,477,503* |
| *Total Expenses* | *14,350,152* | *335,658* | *94,332,113* | *2,857,056* | ***111,874,979*** | *110,836,689* |
| Gross Margin | 0 | 0 | 15,094,876 | 134,380 | **15,229,256** | *15,033,845* |
| *Net Income* | *(233,791)* | *96,236* | *1,095,681* | *(24,981)* | ***933,145*** | *898,851* |
| Assets | 89,649,704 | 3,148,344 | 31,500,450 | 5,915,347 | **130,213,845** | *130,898,358* |
| Liability | 87,711,265 | 465,313 | 15,404,736 | 2,449,990 | **106,031,304** | *107,712,295* |
| Equity | 1,938,439 | 2,683,031 | 16,095,714 | 3,465,357 | **24,182,541** | *23,186,062* |

### Marketing Co-operatives

| | Agriculture | Craft | Fishery | Timber | Worker | **2004 Total** | *2003 Total* |
|---|---|---|---|---|---|---|---|
| Sales | 531,708,362 | 896,918 | 55,495,245 | 4,084,244 | 9,285,145 | **601,469,914** | 582,134,182 |
| Other Income | 5,059,433 | 190,694 | 405,098 | 348,179 | 2,407,660 | **8,411,064** | 7,003,659 |
| *Total Income* | *536,767,795* | *1,087,612* | *55,900,343* | *4,432,423* | *11,692,805* | ***609,880,978*** | *589,137,841* |
| Cost of Goods Sold | 443,273,667 | 448,358 | 48,800,161 | 3,948,813 | 7,216,124 | **503,687,123** | 491,772,056 |
| Other Expenses | 89,867,888 | 627,307 | 6,261,838 | 462,812 | 4,358,590 | **101,578,435** | 95,941,118 |
| *Total Expenses* | *533,141,555* | *1,075,665* | *55,061,999* | *4,411,625* | *11,574,714* | ***605,265,558*** | *587,713,174* |
| Gross Margin | 88,434,695 | 448,560 | 6,695,084 | 135,431 | 2,069,021 | **97,782,791** | 90,362,126 |
| *Net Income* | *3,626,240* | *11,947* | *838,344* | *20,798* | *118,091* | ***4,615,420*** | *1,424,667* |
| Assets | 186,286,719 | 645,531 | 10,278,755 | 1,722,475 | 5,428,989 | **204,362,469** | 197,566,900 |
| Liability | 128,759,465 | 110,848 | 3,046,111 | 568,058 | 2,903,963 | **135,388,445** | 134,712,512 |
| Equity | 57,527,254 | 534,683 | 7,232,644 | 1,154,417 | 2,525,025 | **68,974,023** | 62,854,380 |

NOVA SCOTIA


Co-operatives 2004
by Consumer Sub-type
100
50
10
Housing
Investment
Retail
Service

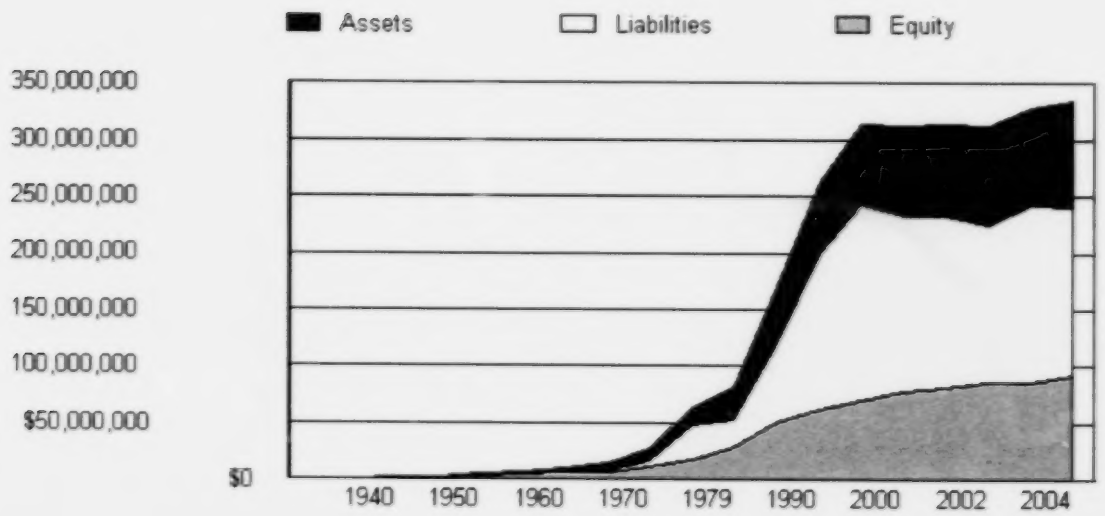
## 64-Year Operating Results Summary (all financial data in $000's)

| | Registered Co-ops | Reporting Co-ops | Sales | Other Income | Total Income | Cost of Goods Sold | Other Expenses | Total Expenses | Net Income | Gross Margin |
|---|---|---|---|---|---|---|---|---|---|---|
| 1940 | 62 | | 3,191 | | | | 526 | | 164 | |
| 1950 | 113 | | 14,167 | | | | 2,142 | | 389 | |
| 1960 | 114 | | 21,145 | | | | 4,629 | | 551 | |
| 1970 | 117 | | 79,445 | | | | 14,133 | | 589 | |
| 1980 | 124 | | 302,486 | | | | 57,422 | | 4,387 | |
| 1990 | 228 | | 512,072 | | | | 120,204 | | 3,781 | |
| 1995 | 241 | | 608,932 | | | | 133,212 | | 2,190 | |
| 1996 | 240 | | 637,530 | | | | 143,170 | | 3,920 | |
| 1997 | 238 | | 650,969 | | | | 142,199 | | 2,598 | |
| 1998 | 217 | | 646,345 | | | | 146,045 | | 1,403 | |
| 1999 | 209 | | 658,090 | | | | 147,276 | | 2,907 | |
| 2000 | 194 | | 612,459 | | | | 137,619 | | 7,743 | |
| 2001 | 247 | | 662,994 | | | | 142,628 | | 9,136 | |
| 2002 | 293 | 193 | 647,887 | 23,209 | 671,096 | 540,148 | 124,739 | 664,887 | 6,209 | 107,739 |
| 2003 | 323 | 256 | 675,527 | 25,346 | 700,873 | 570,131 | 128,419 | 698,550 | 2,324 | 105,396 |
| 2004 | 303 | 285 | 696,086 | 26,602 | 722,689 | 583,075 | 134,065 | 717,140 | 5,549 | 113,012 |

## 64-Year Balance Sheet Summary

(all data in $000's)

| | Assets | Liabilities | Equity |
|---|---|---|---|
| 1940 | 1,184 | 293 | 891 |
| 1945 | 2,186 | 582 | 1,604 |
| 1950 | 5,041 | 1,876 | 3,165 |
| 1955 | 6,246 | 2,103 | 4,143 |
| 1960 | 9,086 | 3,382 | 5,704 |
| 1965 | 14,736 | 8,011 | 6,725 |
| 1970 | 27,622 | 16,670 | 10,952 |
| 1975 | 64,445 | 47,261 | 17,184 |
| 1979 | 81,623 | 52,579 | 29,044 |
| 1985 | 170,845 | 120,202 | 50,643 |
| 1990 | 262,268 | 199,633 | 62,635 |
| 1995 | 313,594 | 242,997 | 70,597 |
| 2000 | 312,308 | 233,418 | 78,890 |
| 2001 | 314,098 | 232,363 | 81,735 |
| 2002 | 312,056 | 225,129 | 86,935 |
| 2003 | 328,465 | 242,425 | 86,040 |
| 2004 | 334,576 | 241,420 | 93,157 |



# Demographic Data

**Demographic Summary**

The demographic data presented on page 20 indicates that 32% (96 of 303) of all registered co-operatives were in Halifax County, followed by Colchester County with 11% (33) and then Cape Breton County which reported 10% (30) of the total. Housing co-operatives were the largest sub-type at 32% (87) of the total, followed by worker co-operatives at 21% (64) and service co-operatives with 16% (49).

On page 24 is a list of the 38 new co-operatives that were incorporated in 2004. Co-operatives Branch warmly welcomes them to the sector and wishes them every success in their endeavors. The growth in the number of new co-operatives is a direct result of three factors:

1. Co-operatives Branch was transferred from the Department of Economic Development to Service Nova Scotia and Municipal Relations in 2002. The transfer recognized that Co-operatives Branch's regulatory role clearly fits into the Registry of Joint Stock Companies.

2. At the same time, the development role of encouraging and supporting co-operatives was transferred from Economic Development to the Nova Scotia Co-operative Council through a 5-year Memorandum of Understanding. Co-operative Council currently employs 3 development staff. This is a significant increase over the one Co-operatives Branch staff person who was previously devoted to both development and regulation.

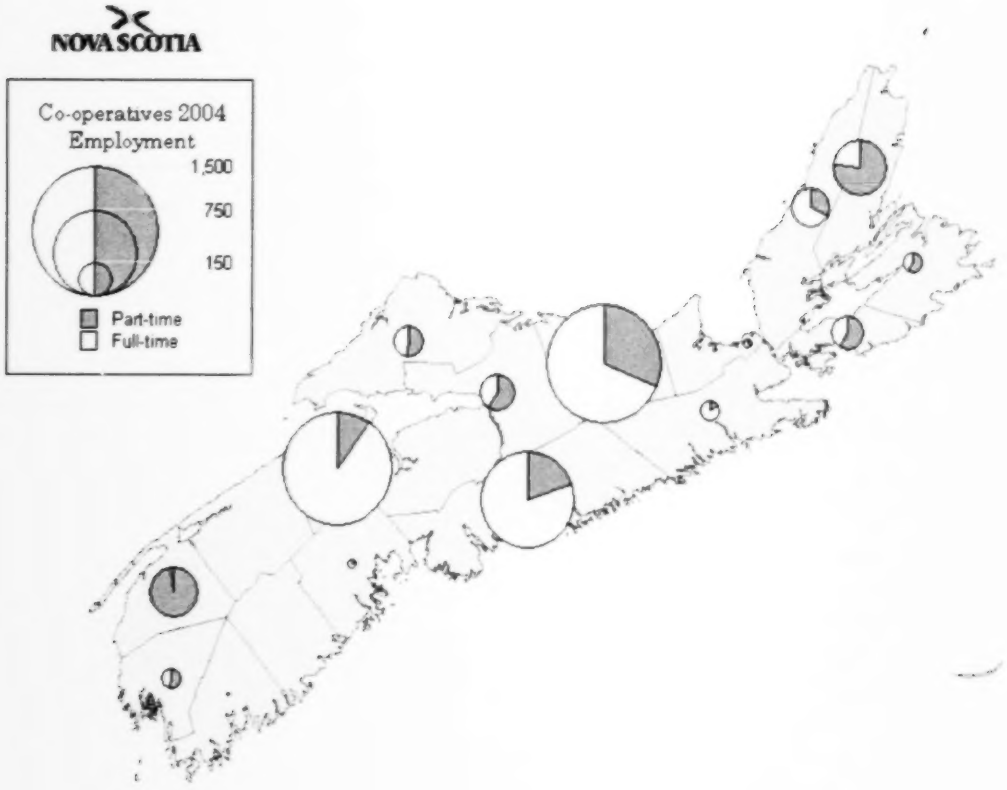
3. In addition to my role as Inspector of Co-operatives, I also provide registration duties for societies through the Registry of Joint Stock Companies. Thus, I am in a unique position to steer society applicants with business aspirations toward more appropriate registration as co-operatives.

These factors have combined to push the number of new co-operative registrations from an average of 23 in the 7 years before 2002 to the all time high of 38 in 2004.

In recognition of their service and commitment to their communities, the co-operatives with significant anniversaries in 2004 and 2005 are listed on pages 25 and 26.

The data on page 22 shows that Pictou County had the most co-operative employees at 923, followed by Kings County with 817 and Halifax County with 619. The same table shows that membership was over 7,000 in Inverness County, followed by Colchester County with 6,191 members and Halifax County with 4,963.

Nine of the ten largest co-operatives based on membership are retail consumer co-operatives with 26,625 (70%) of the 37,928 members in the province. In terms of employment, the agricultural co-operatives dominate, accounting for 5 of the 6 largest co-operative employers and employing nearly 70% of all employees in the sector.

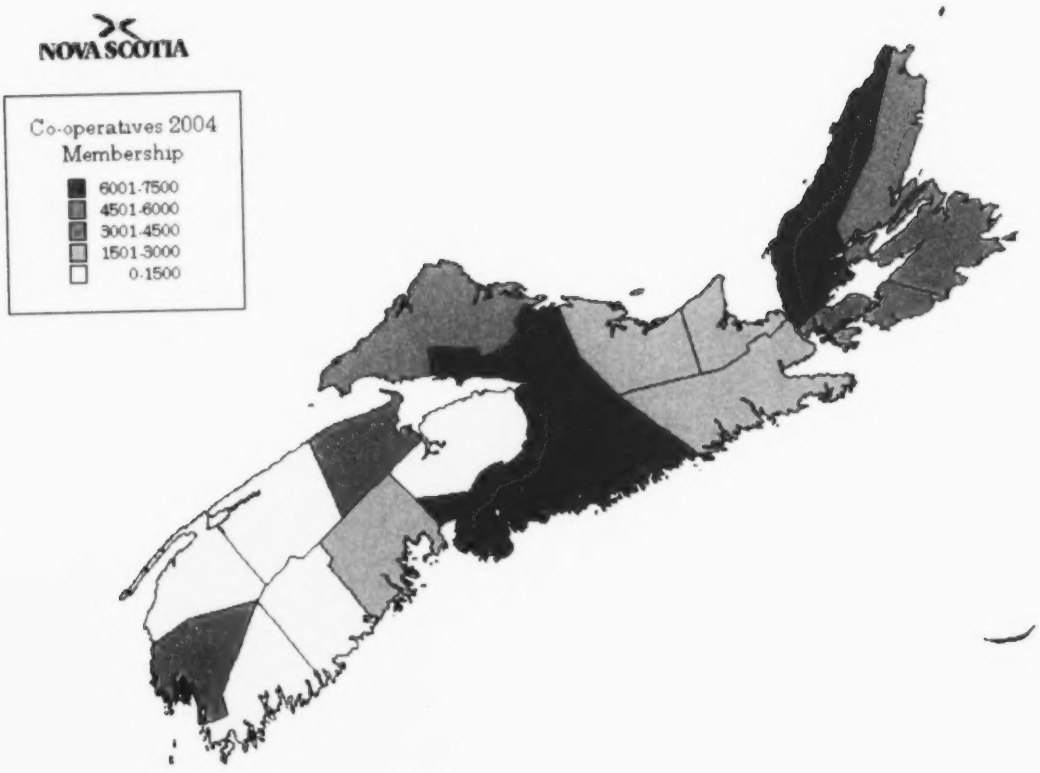

NOVA SCOTIA
Co-operatives 2004
Employment
1,500
750
150
Part-time
Full-time

**Registered Co-operatives: Distribution by Type and County**

| | Housing | Investment | Retail | Service | **Total Consumer** | Agriculture | Craft | Fishery | Timber | Worker | **Total Marketing** | *Total Co-operatives* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Annapolis | 0 | 0 | 0 | 1 | **1** | 2 | 0 | 0 | 0 | 5 | **7** | *8* |
| Antigonish | 4 | 0 | 2 | 3 | **9** | 0 | 0 | 1 | 0 | 1 | **2** | *11* |
| Cape Breton | 6 | 2 | 1 | 4 | **13** | 3 | 1 | 2 | 0 | 11 | **17** | *30* |
| Colchester | 3 | 4 | 3 | 4 | **14** | 5 | 1 | 2 | 1 | 10 | **19** | *33* |
| Cumberland | 1 | 0 | 3 | 2 | **6** | 2 | 0 | 0 | 2 | 1 | **5** | *11* |
| Digby | 1 | 2 | 1 | 1 | **5** | 1 | 0 | 0 | 0 | 1 | **2** | *7* |
| Guysborough | 0 | 0 | 2 | 1 | **3** | 0 | 0 | 1 | 0 | 0 | **1** | *4* |
| Halifax | 58 | 2 | 4 | 12 | **76** | 5 | 2 | 1 | 0 | 12 | **20** | *96* |
| Hants | 0 | 0 | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | **0** | *0* |
| Inverness | 2 | 0 | 5 | 7 | **14** | 1 | 1 | 1 | 0 | 4 | **7** | *21* |
| Kings | 3 | 2 | 1 | 7 | **13** | 5 | 0 | 0 | 0 | 10 | **15** | *28* |
| Lunenburg | 1 | 0 | 2 | 1 | **4** | 0 | 2 | 0 | 1 | 1 | **4** | *8* |
| Pictou | 5 | 0 | 0 | 1 | **6** | 1 | 1 | 1 | 1 | 2 | **6** | *12* |
| Queens | 1 | 0 | 0 | 0 | **1** | 0 | 0 | 0 | 0 | 1 | **1** | *2* |
| Richmond | 0 | 1 | 3 | 4 | **8** | 0 | 0 | 3 | 0 | 3 | **6** | *14* |
| Shelburne | 0 | 0 | 0 | 0 | **0** | 0 | 0 | 0 | 0 | 0 | **0** | *0* |
| Victoria | 0 | 0 | 4 | 1 | **5** | 1 | 0 | 1 | 1 | 2 | **5** | *10* |
| Yarmouth | 2 | 0 | 1 | 0 | **3** | 0 | 0 | 3 | 0 | 0 | **3** | *6* |
| **Total** | 87 | 13 | 32 | 49 | **181** | 26 | 8 | 16 | 6 | 64 | **120** | *303* |

The subtype for the one co-operative in each of Hants and Shelburne counties is not identified for reasons of confidentiality.

Co-operatives Branch groups co-operatives into two types: consumer and marketing. Consumer co-operatives are organized for the benefit of the buyer, marketing co-operatives are organized for the benefit of the seller. Consumer co-operatives are further identified as housing, investment, retail and service co-operatives. The five types of marketing co-operative are agriculture, craft, fishery, timber and worker. In a worker co-operative, for example, labourers organize together to market their services.


NOVA SCOTIA
Co-operatives 2004
Membership
6001-7500
4501-6000
3001-4500
1501-3000
0-1500

Employees and Membership - By County

| | Full-time | Part-time | Total Employees | Membership |
|---|---|---|---|---|
| Annapolis | 0 | 0 | 0 | 15 |
| Antigonish | 10 | 5 | 15 | 569 |
| Cape Breton | 15 | 21 | 36 | 2,424 |
| Colchester | 45 | 64 | 109 | 6,191 |
| Cumberland | 40 | 43 | 83 | 4,435 |
| Digby | 3 | 191 | 194 | 125 |
| Guysborough | 29 | 6 | 35 | 838 |
| Halifax | 495 | 124 | 619 | 4,983 |
| Hants | 0 | 0 | 0 | 0 |
| Inverness | 95 | 45 | 140 | 7,114 |
| Kings | 736 | 81 | 817 | 3,169 |
| Lunenburg | 8 | 3 | 11 | 735 |
| Pictou | 633 | 290 | 923 | 623 |
| Queens | 0 | 0 | 0 | 20 |
| Richmond | 40 | 54 | 94 | 1,685 |
| Shelburne | 0 | 1 | 1 | 19 |
| Victoria | 54 | 178 | 232 | 3,812 |
| Yarmouth | 16 | 18 | 34 | 1,191 |
| | 2,219 | 1,124 | 3,343 | 37,948 |

**Employees and Membership - By Type**

| Type | Co-operatives Reporting | Employees | | | Number of Members |
|---|---|---|---|---|---|
| | | Full-time | Part-time | Total | |
| **Consumer** | | | | | |
| Housing | 85 | 8 | 12 | 20 | 2,108 |
| Investment | 13 | 1 | 2 | 3 | 1,791 |
| Retail | 31 | 188 | 212 | 400 | 26,625 |
| Service | 46 | 44 | 35 | 79 | 4,347 |
| *Total Consumer* | *175* | *241* | *261* | *502* | *34,871* |
| **Marketing** | | | | | |
| Agriculture | 24 | 1,791 | 548 | 2,339 | 1,158 |
| Craft | 7 | 35 | 3 | 38 | 104 |
| Fishery | 14 | 28 | 199 | 227 | 412 |
| Timber | 6 | 25 | 22 | 47 | 675 |
| Worker | 59 | 99 | 91 | 190 | 728 |
| *Total Marketing* | *110* | *1,978* | *863* | *2,841* | *3,077* |
| **Total** | **285** | **2,219** | **1,124** | **3,343** | **37,948** |

**Thirty-Eight Co-operatives Incorporated in 2004**

| | |
|---|---|
| Big East Co-operative Limited | Kentville |
| Bluenose Quilting Arts Festival Co-operative Limited | Lunenburg |
| Canadian Institute of English Co-operative Limited | Shubenacadie |
| Cape Blue Roads & Services Co-operative Limited | Antigonish |
| Central Nova Christmas Tree Co-operative Limited | Truro |
| Directors Coaching & Support Co-operative Limited | Truro |
| Downtown Arts & Cultural Development Theatre Co-op Limited | Sydney |
| East Coast Herring Roe Processors Co-operative Limited | Truro |
| Edunova Co-operative Limited | Halifax |
| Elder Fields Farm Co-operative Limited | Whycocomagh |
| Farmers' Markets of Nova Scotia Co-operative Limited | Halifax |
| Five Islands Bazaar Co-operative Limited | Lower Five Islands |
| Fresh Air Meats Co-operative Limited | Middleton |
| Galerie Saule Co-opérative Limitée | Comeauville |
| Garden Valley Community Investment Co-operative Limited | New Minas |
| Halifax Cheer Elite Co-operative Limited | Halifax |
| Hubbards Farmers' Market Co-operative Limited | Hubbards |
| Island Event Productions Co-operative Limited | Reserve Mines |
| Kempt Head Workers Co-operative Limited | Kempt Head |
| Local Foods Co-operative Limited | Annapolis Royal |
| MacNeil Barrachois Cottage Co-operative Limited | Truro |
| Marigold Cultural Centre Co-operative Limited | Truro |
| Maritime Biodiesel Co-operative Limited | Halifax |
| Maritime Organic Blueberry Growers Co-operative Limited | Debert |
| Mersey Tobeatic Research Institute Co-operative Limited | Caledonia |
| Mid Valley Poultry Co-operative Limited | Granville Ferry |
| Middleton Building Services Co-operative Limited | Middleton |
| Mud Creek Medical Co-operative Limited | Wolfville |
| North Nova Health Care Co-operative Limited | New Glasgow |
| Pathways Housing Services Co-operative Limited | Dartmouth |
| Pine Haven Water Co-operative Limited | Coldbrook |
| Sunset Funeral Co-operative Limited | Sydney |
| Truro Boxing Club Co-operative Limited | Truro |
| Truro Investment Co-operative Limited | Truro |
| Turnstile Pottery Co-operative Limited | Halifax |
| Wickwire Investment Co-operative Limited | Wolfville |
| Wild Blueberry Harvest Co-operative Limited | Truro |
| Womax Manufacturing Co-operative Limited | North Sydney |

**Anniversaries of Incorporation in 2004**

In 2004, 19 co-operatives celebrated the passage of one decade or more since their incorporation. We congratulate these co-operatives and their boards for their continued commitment to co-operation and member services. In 2005, the 30 co-operatives listed on the following page are celebrating a similar milestone.

| | | |
|---|---|---|
| 60th | 1944 | De La Tour Co-operative Society Limited |
| 40th | 1964 | United Farmers Co-operative Limited |
| 30th | 1974 | Atlantic Filmmaker's Co-operative Limited<br>Clare Co-operative Shipping Limited |
| 20th | 1984 | Cliffside Housing Co-operative Limited<br>Flip Flop Housing Co-operative Limited<br>Hubtown Housing Co-operative Limited<br>Island Continuing Housing Co-operative Limited<br>Joe MacIsaac Housing Co-operative Limited<br>Loyalist Housing Co-operative Limited<br>North Bay Fishermen's Co-operative Limited<br>Saduke Housing Co-operative Limited<br>Seaview Housing Co-operative Limited<br>West Halifax Housing Co-operative Limited |
| 10th | 1994 | Canoe Lake Machinery Co-operative Limited<br>La Co-operative Pre Maternelle Limitée<br>L.C. Blueberry Co-operative Limited<br>Mutual Electric Co-operative Limited<br>Tower Heights Housing Co-operative Limited |

**Anniversaries of Incorporation in 2005**

| | | |
|---|---|---|
| 65th | 1940 | Central Co-operative Society Limited |
| 60th | 1945 | Cross Roads Co-operative Limited<br>Nova Scotia Animal Breeders Co-operative Limited<br>Pugwash Co-operative Limited |
| 50th | 1955 | Cross Roads Blueberry Co-operative Limited |
| 40th | 1965 | Digby Co-operative Pasture Limited<br>Maple Brook Co-operative Pasture Limited<br>Neil`s Harbour Co-operative Limited |
| 30th | 1975 | Huntington Point Water Co-operative Association Limited<br>OVO Co-operative Limited<br>Wolfville Habitat Co-operative Limited |
| 25th | 1980 | Concession Co-operative Limited<br>High Hopes Housing Co-operative Limited<br>Jim MacDonald Housing Co-operative Limited<br>Lamplight Housing Co-operative Limited<br>North West Arm Housing Co-operative Limited |
| 20th | 1985 | Brookside Abattoir Co-operative Limited<br>Ceilidh Fishermen Co-operative Limited<br>Elm Court Housing Co-operative Limited<br>Halifax Builders Co-operative Limited<br>Wallis Drive Housing Co-operative Limited |
| 15th | 1990 | Dover Co-operative Limited<br>Golden Pond Housing Co-operative Limited<br>Harbour Greenhouse Co-operative Limited<br>Village Grocery Workers Co-operative Limited |
| 10th | 1995 | Amaranth Co-operative Enterprises Limited<br>Apaqtaukewaq Fisheries Co-operative Limited<br>Atlantic Co-operative CED Institute Limited<br>Broad Horizons Development Co-operative Limited<br>Cobequid Maple Co-operative Limited |

**Fifty-Seven Co-operatives Struck in 2004**

In 2004, there were 57 co-operatives struck. This unusually high number was predicted in the 2003 Annual Report as a one-time correction to occur during the second year of the new annual renewal process. In 2003, which was the first year of the automated renewal process, no co-operatives were struck. In that year, all co-operatives were given an extended grace period to provide outstanding filing requirements. At the end of grace period in 2004, this one-time correction occurred. In the next Annual Report, it is expected that the number of struck co-operatives will return to the average of about 10% of registered co-operatives.

| Name | Location | Registry # |
|---|---|---|
| Amos Investment Co-operative Limited | Sydney | 3061290 |
| Annapolis Valley Farmers Co-operative Limited | Kentville | 3046342 |
| Barrachois Vacation Partners Co-operative Limited | Truro | 3039703 |
| Black Community Workgroup of Halifax Co-operative | Halifax | 3026691 |
| Breton Isle Holdings Co-operative Limited | Sydney | 3063936 |
| Brown Water Sports Co-operative Limited | Truro | 3033838 |
| C Farms Co-operative Limited | Truro | 3043874 |
| C Suite Networking Co-operative Limited | Halifax | 3013044 |
| Cape Breton Snow Belt Marketing Co-operative Limited | Smelt Brook | 3075572 |
| Cape Breton Towing Co-operative Limited | Sydney | 3063587 |
| Chedabucto Development Co-operative Limited | Canso | 3050143 |
| Cheticamp Development Co-operative Limited | Cheticamp | 1702738 |
| Clare Co-operative Shipping Limited | Church Point | 1351081 |
| Co-op Taxi & Limousine Co-operative Limited | Halifax | 3074791 |
| Co-operative Housing Federation of Nova Scotia | Halifax | 1447408 |
| Elm Court Housing Co-operative Limited | New Glasgow | 1629379 |
| Field of Dreams Co-operative Limited | Amherst | 3065157 |
| Frontier University Open University Co-operative Limited | Truro | 3061472 |
| Four Winds Market Co-operative Limited | Englishtown | 3081110 |
| Fundy Eco Centre Co-operative Limited | Debert | 3035566 |
| Gold Star Courier Co-operative Limited | Dartmouth | 3063221 |
| Great Northern Data Co-operative Limited | Truro | 3038141 |
| Hermosa Enterprises Co-operative Limited | Sydney | 3049240 |
| Highest Tides Investment Co-operative Limited | Debert | 3036318 |
| Institute for Applied Sciences Co-operative Limited | Digby | 3066607 |

| Name | Location | Registry # |
|---|---|---|
| Island Event Productions Co-operative Limited | Reserve Mines | 3086824 |
| Isle Madame Community Investment Co-operatives Limited | Arichat | 3008315 |
| Kings Commuter Co-operative Limited | Canning | 2430345 |
| Kinship Sail Ventures & Training Co-operative Limited | Mahone Bay | 3026339 |
| L.C. Blueberry Co-operative Limited | Larry's River | 2375471 |
| Leisure Services Co-operative Limited | Sydney | 3061473 |
| Little Harbour Pasture Co-operative Limited | Lower L'Ardoise | 1351438 |
| MC Security Co-operative Limited | Pictou | 3060864 |
| Maritime Organic Producers Co-operative Limited | Granville Ferry | 3060487 |
| Melmerby Beach Cottage Co-operative Limited | Halifax | 3032834 |
| Mexican Flair Imports Co-operative Limited | Truro | 3060863 |
| Middle River Farmers Co-operative Limited | Baddeck | 1855905 |
| Mutual Electric Co-operative Limited | Judique | 2315026 |
| Nell's Garden Co-operative Limited | Westville | 3066609 |
| New Waterford Art and Frames Co-operative Limited | Sydney | 3071715 |
| North Shore Fishermen's Co-operative Limited | Baddeck | 2265454 |
| Northumberland Coin Co-operative Limited | Springhill | 3053537 |
| Orangedale Farmers Co-operative Limited | Orangedale | 1489593 |
| Petroleum Investigative Network Co-operative Limited | Sydney | 3062619 |
| Poseidon Education Co-operative Limited | New Glasgow | 3053337 |
| Rabenstein Farm Co-operative Limited | Inverness | 3007274 |
| Rolling Mill Productions Co-operative Limited | Sydney | 3015367 |
| Service Plus Co-operative Limited | Dartmouth | 3065154 |
| Settlement Water Co-operative Limited | Enfield | 1352479 |
| Shandy Honey Co-operative Limited | Shubenacadie | 3050204 |
| Simply Natural Co-operative Limited | Summerville | 3044719 |
| Student Economic Development Co-operative Limited | Sydney | 3065158 |
| Styles by SC Beauty Suite Co-operative Limited | Dartmouth | 3053469 |
| Total Essence Coaching Co-operative Limited | Halifax | 3056188 |
| Tracadie Island Co-operative Limited | Truro | 2264524 |
| Village Productions Co-operative Limited | Halifax | 2287723 |
| Western Nova Scotia Blueberry Growers Co-operative | Kemptville | 1383628 |

# Co-operative Functioning

## Co-operative Functioning Summary

The Annual Report to the Inspector is used by co-operatives to report to Co-operatives Branch. In 2002, it was changed to follow the lead of the Registry of Joint Stock Companies. For the first time, it included the data in our files so that co-operatives could simply correct and update their information instead of providing it from scratch every year. Co-operatives Branch also took the opportunity to ask co-operatives to report on their co-operative functioning, in addition to the financial and demographic data traditionally collected. The table on page 31 shows the answers to the new questions on co-operative functioning.

The questions resulted from observations that good finances don't always make a good co-operative, and that poor co-operative functioning often leads to poor finances. The questions were developed with input from the N.S. Department of Community Services and the Co-operative Housing Federation of Canada[1] and are intended as an early warning system for co-operatives who may be headed for difficulties. For example, having vacancies on the board may not be a warning signal on its own, but if a co-operative also reports that quorum wasn't met at their annual general meeting (AGM), it could indicate a problem with participation. Similarly, not holding an AGM could indicate management problems, and is also contrary to the *Co-operative Associations Act*.

The table on page 31 indicates that consumer co-operatives had a higher percentage of full board complements, held more AGM's and approved their financial reports more often than marketing co-operatives. Consumer co-operatives also had more board meetings although marketing co-operatives held slightly more members' meetings. Consumer co-operatives also reported more members who attended an educational event.

When we look at for-profit and non-profit co-operatives, we see that they reported similar co-operative functioning, with non-profits reporting a slightly higher percentage of annual general meetings (AGMs) held. In addition, the non-profits held more board of directors' meetings and more members who attended an educational event during the 2004 reporting period.

The data on co-operative functioning is collected with the hope that it, combined with the financial reports submitted annually, will provide early warning signals for those co-operatives that are heading toward difficulties in either their financial or co-operative functioning. In next year's report, I intend to analyze this data in more detail. For example it may be possible that non-profit consumer co-operatives may hold more board meetings and provide training more often other groupings. It may also be possible that an unusually high (or low) number of meetings indicates internal problems that could be resolved through early intervention.

---

[1] Thanks are extended to David Emery formerly at the Co-operative Housing Federation of Canada and to Warren Olsen at Housing Services in the Department of Community Services.

## Co-operative Functioning

| | Consumer (n=182) | Marketing (n=121) | For profit (n=181) | Non-profit (n=122) | **Total (n=303)** |
|---|---|---|---|---|---|
| All board positions are filled | 79% | 70% | 75% | 77% | **76%** |
| An AGM was held | 89% | 71% | 80% | 84% | **82%** |
| Quorum was established at the AGM | 98% | 100% | 99% | 98% | **99%** |
| Financial report was approved by members at the AGM | 92% | 88% | 90% | 92% | **91%** |
| Average number of board meetings | 7.3 | 5.1 | 6 | 7.1 | **6.4** |
| Average number of members meetings | 3.6 | 5.3 | 4.3 | 4.1 | **4.3** |
| Average number of members who attended an educational event | 6.8 | 3.6 | 5 | 6.5 | **5.6** |

The *Co-operative Associations Act* is available at:
www.gov.ns.ca/legislature/legc/statutes/co-opassc.htm

The Regulations to the Act are available at:
www.gov.ns.ca/just/regulations/regs/co-opgen.htm

The *Act* and Regulations are also available by contacting the Co-operatives Branch at:

Co-operatives Branch
Service Nova Scotia and Municipal Relations
35 Commercial Street, Suite 101
Truro, Nova Scotia
B2N 3H9

Phone: (902) 893-6190
Fax: (902) 893-6108
Email: nscoop@gov.ns.ca

**Service Nova Scotia and Municipal Relations**

Crown copyright © 2005, Province of Nova Scotia, all rights reserved